

Key Questions for Pre-Retirement Planning

Planning for retirement is about more than just finances—it's about creating a vision for the future and ensuring you're prepared for the next phase of life. Whether you're planning alone or with a spouse, these key questions can help guide your decisions and set you on a path to a secure and fulfilling retirement.

1. When do you plan to retire?

- Consider your ideal retirement timeline. Will you stop working all at once, phase into retirement gradually, or continue working part-time?
- Be prepared for the unexpected. Nearly half of retirees leave the workforce earlier than planned, often due to health issues or other unforeseen circumstances.

2. Where would you like to retire?

- Will you stay in your current home, downsize, or relocate? Think about factors like climate, cost of living, taxes, and proximity to family and friends.

3. What does your desired lifestyle look like?

- What do you envision for your retirement years? Will you travel, take up new hobbies, volunteer, or spend more time with family and friends?
- How much income do you believe you will need in retirement to maintain your desired lifestyle? Consider essentials like housing, healthcare, and daily expenses, as well as discretionary spending on activities you enjoy.

4. At what age will you start Social Security?

- Deciding when to claim Social Security is critical. Claiming early means smaller monthly checks, while waiting can increase your benefits.
- If you are married, coordinating your claiming strategy with your spouse can help maximize your total lifetime benefits.

5. How much will you provide financial support to family?

- Many retirees want to help their children or grandchildren financially. Consider whether you plan to contribute toward education, weddings, or other milestones.
- Make sure your generosity doesn't compromise your own financial security. Prioritize your retirement savings first.

6. How will you cover healthcare costs?

- Healthcare expenses can be a significant part of your retirement budget. Start planning for Medicare, supplemental insurance, and potential out-of-pocket costs.
- Focus on preventative care and maintaining a healthy lifestyle now to help reduce medical expenses later.

7. What's your plan for long-term care?

- Consider how you will handle potential long-term care needs. Will you rely on personal savings, family support, long-term care insurance, or other resources?
- Think about your preferences for care—whether aging in place, assisted living, or another option—and plan accordingly.

Bringing It All Together

Retirement planning requires careful thought and preparation. These seven questions are a great starting point for creating a solid plan that reflects your goals and financial needs.

The key is to start planning early, revisit your decisions regularly, and adjust as needed to ensure you're on track for a retirement that aligns with your vision.

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